

HARGROVE, SMELLEY & STRICKLAND

JOSEPH L. HARGROVE, JR.
DAVID L. SMELLEY
PAUL A. STRICKLAND
W. BROOKS MAY
JASON C. FALUDI

(A PROFESSIONAL LAW CORPORATION)
AMERICAN TOWER, SUITE 600
401 MARKET STREET

SHREVEPORT, LOUISIANA 71101-3239

THOMAS J. WYATT (1942-1996)

MAILING ADDRESS
POST OFFICE BOX 59
SHREVEPORT, LOUISIANA 71161-0059
TELEPHONE (318) 429-7200
TELECOPIER (318) 429-7201

OF COUNSEL
WILLIAM G. CONLY

February 2, 2004

Honorable James H. Welsh
Commissioner of Conservation
State of Louisiana
Post Office Box 44275
Baton Rouge, Louisiana 70804-4275

Re: APPLICATION FOR PUBLIC HEARING.

Glen Rose Formation, Reservoir A; Hosston
Formation, Reservoir A; and Cotton Valley
Formation, Reservoir A; HOLLY FIELD,
DeSoto Parish, Louisiana.

Dear Sir:

EL PASO PRODUCTION COMPANY ("Applicant") hereby respectfully applies for a public hearing to consider evidence relative to the issuance of Orders pertaining to the following matters relating to the Glen Rose Formation, Reservoir A; the Hosston Formation, Reservoir A; and the Cotton Valley Formation, Reservoir A; in the Holly Field, DeSoto Parish, Louisiana:

Glen Rose Formation, Reservoir A,
and Cotton Valley Formation, Reservoir A

1. To create one (1) additional drilling and production unit for the exploration for and production of gas and condensate from each of these formations and reservoirs, such units being shown on attached plats and being designated GR RA SUE and CV RA SUBB.
2. To force pool and integrate all separately owned tracts, mineral leases and other property interests within each of the proposed additional units in accordance with Section 10, Title 30, of the Louisiana Revised Statutes of 1950, with each tract sharing in unit production on a surface acreage basis of participation.
3. To designate Applicant as operator of the proposed additional units.
4. To approve exceptions to the well location provisions of Office of Conservation Order No. 88-H, effective October 31, 2001 (applicable to the Glen Rose Formation, Reservoir A), and Office of Conservation Order No. 88-E, effective August 1, 1975 (applicable to the Cotton Valley Formation, Reservoir A), so as to permit Applicant to drill, designate and utilize its Smith No. 1 Well as the unit well for the proposed additional units at the location shown on attached plats.

dls/app/holly34.application

5. To extend, except as in conflict herewith, the applicable provisions of Office of Conservation Order No. 88-H, effective October 31, 2001, as amended and supplemented by the Order No. 88-H series of Orders, to the proposed additional unit designated GR RA SUE.

6. To extend, except as in conflict herewith, the applicable provisions of Office of Conservation Order No. 88-E, effective August 1, 1975, as amended and supplemented by the Order No. 88-E series of Orders, to the proposed additional unit designated CV RA SUBB.

7. To consider such other matters as may be pertinent.

The Glen Rose Formation, Reservoir A, in the Holly Field, DeSoto Parish, Louisiana, was defined in Office of Conservation Order No. 88-H, effective October 31, 2001.

The Cotton Valley Formation, Reservoir A, in the Holly Field, DeSoto Parish, Louisiana, was defined in Office of Conservation Order No. 88-E, effective August 1, 1975.

Hosston Formation, Reservoir A

1. To approve an exception to the well location provisions of Office of Conservation Order No. 88-D, effective February 1, 1975, so as to permit Applicant to drill, designate and utilize its Smith No. 1 Well as the unit well for HOSS RA SU1 at the location shown on an attached plat.

2. To designate Applicant as operator of HOSS RA SU1.

3. To consider such other matters as may be pertinent.

The Hosston Formation, Reservoir A, in the Holly Field, DeSoto Parish, Louisiana, was defined in Office of Conservation Order No. 88-D, effective February 1, 1975.

Pertinent data concerning this application is available for inspection at the offices of Louis Gilbert & Associates, Inc., 3636 N. Causeway Boulevard, Suite 204, Metairie, Louisiana 70002-7216. Any person wishing to inspect such data should call Mr. Gilbert at (504) 834-8112 during normal business hours in order to arrange a date and time for such inspection. A copy of any such pertinent data which is not otherwise available from the records of the Louisiana Office of Conservation can be obtained from Applicant at the expense of the requesting party.

By letter dated January 12, 2004, Applicant gave notice, in accordance with the Revised Rules of Procedure, of its intention to apply for a public hearing concerning these matters and a pre-application conference with respect to Applicant's proposals was thereafter held beginning at 10:30 o'clock a.m. on February 2, 2004, in Shreveport, Louisiana. Attached is a list of the names

Honorable James H. Welsh
February 2, 2004
Page 3

and addresses of those persons present at the conference.

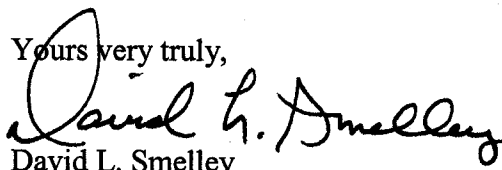
The purpose of the conference was explained as well as the bases for Applicant's proposals by sufficient data and detail for those present at the conference to have a reasonable opportunity to discuss the proposals and attempt to resolve any differences in good faith. Following Applicant's presentation, there was a general question and answer period concerning the proposals of Applicant. No opposition was expressed to the proposals of Applicant. Thereafter, the conference was adjourned.

Attached hereto are three (3) plats relating to Applicant's proposals, which plats are identical to those attached to the pre-application notice. Also attached hereto is a list of the names and addresses of all Interested Owners, Represented Parties and Interested Parties to whom a copy of this application is being sent. Pursuant to the Revised Rules of Procedure, such list is being forwarded only to the Commissioner of Conservation and to the District Manager of the Shreveport District of the Office of Conservation. A copy of the list will be furnished by the undersigned to any party so requesting. A reasonable effort was made to obtain a complete list of Interested Owners, Represented Parties and Interested Parties.

Applicant will provide for posting of a copy of the Legal Notice of this hearing and the enclosed plats at a prominent place in the area affected and will cause publication of the Legal Notice in a newspaper published in the general area of Holly Field, all in accordance with the Revised Rules of Procedure. Furthermore, a copy of the Legal Notice will be mailed to all Interested Owners, Represented Parties and Interested Parties promptly upon receipt of the Legal Notice from the Commissioner.

Finally, we enclose our check payable to the Commissioner of Conservation for the application fee.

Yours very truly,



David L. Smelley

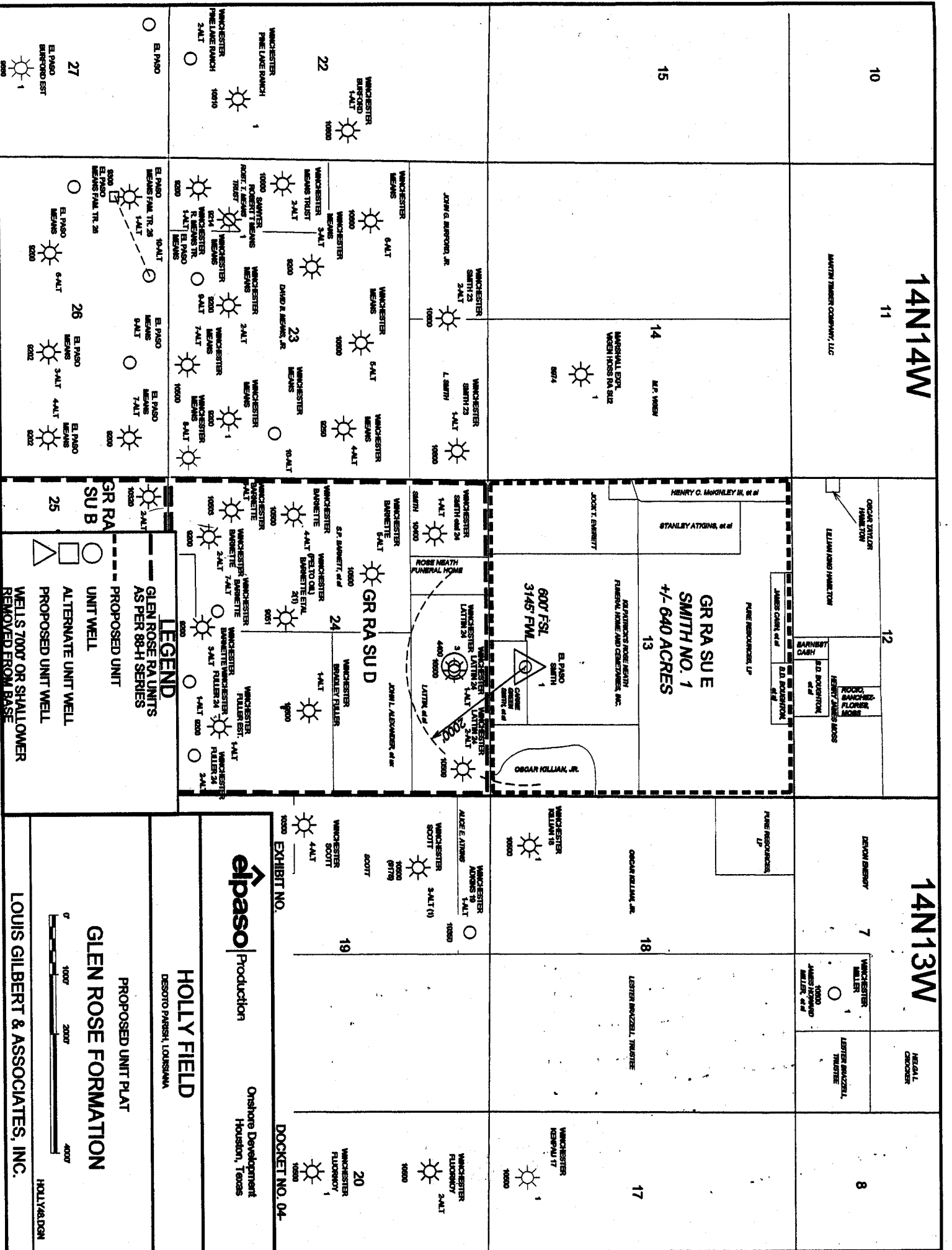
-- Attorney for El Paso Production Company

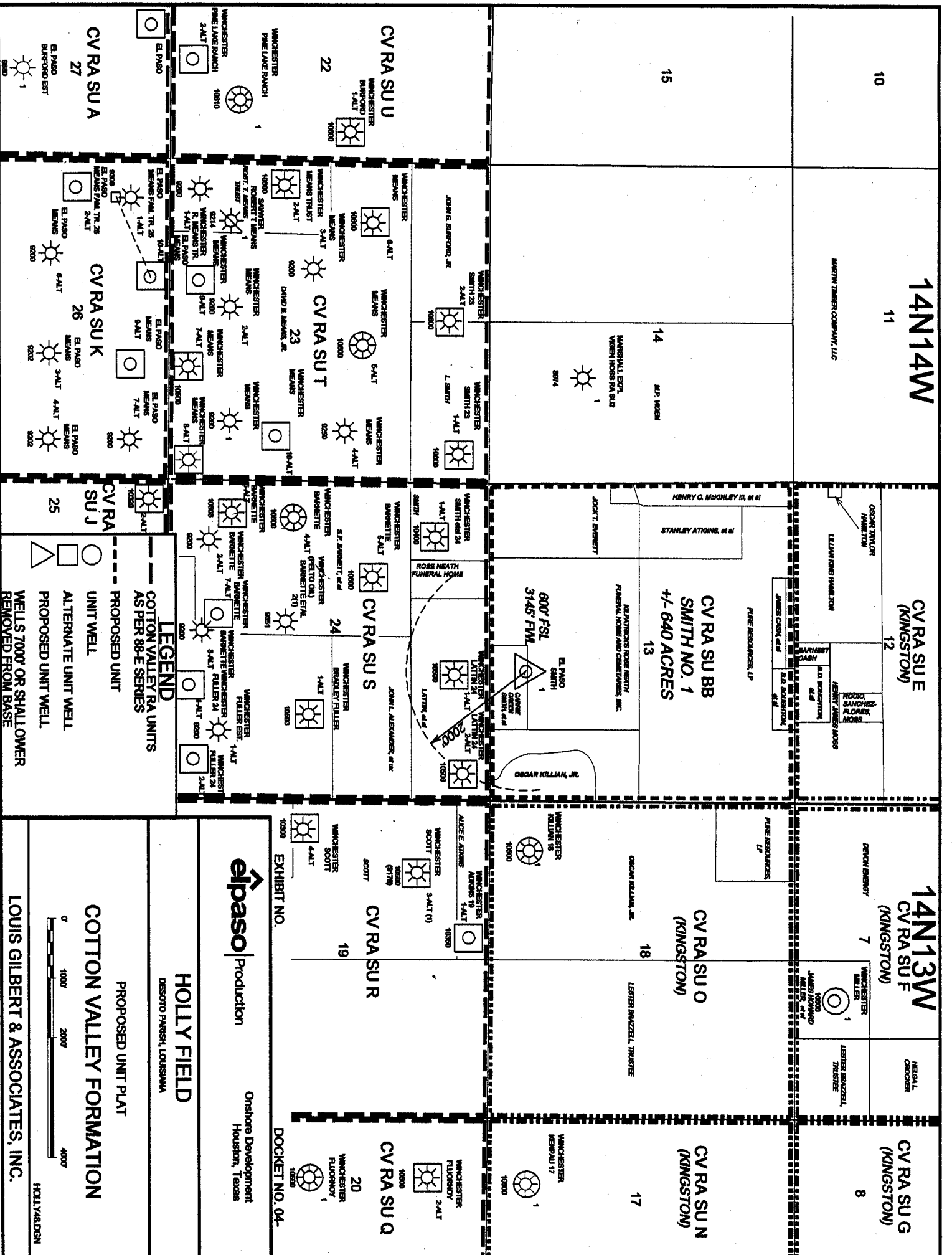
DLS:dp

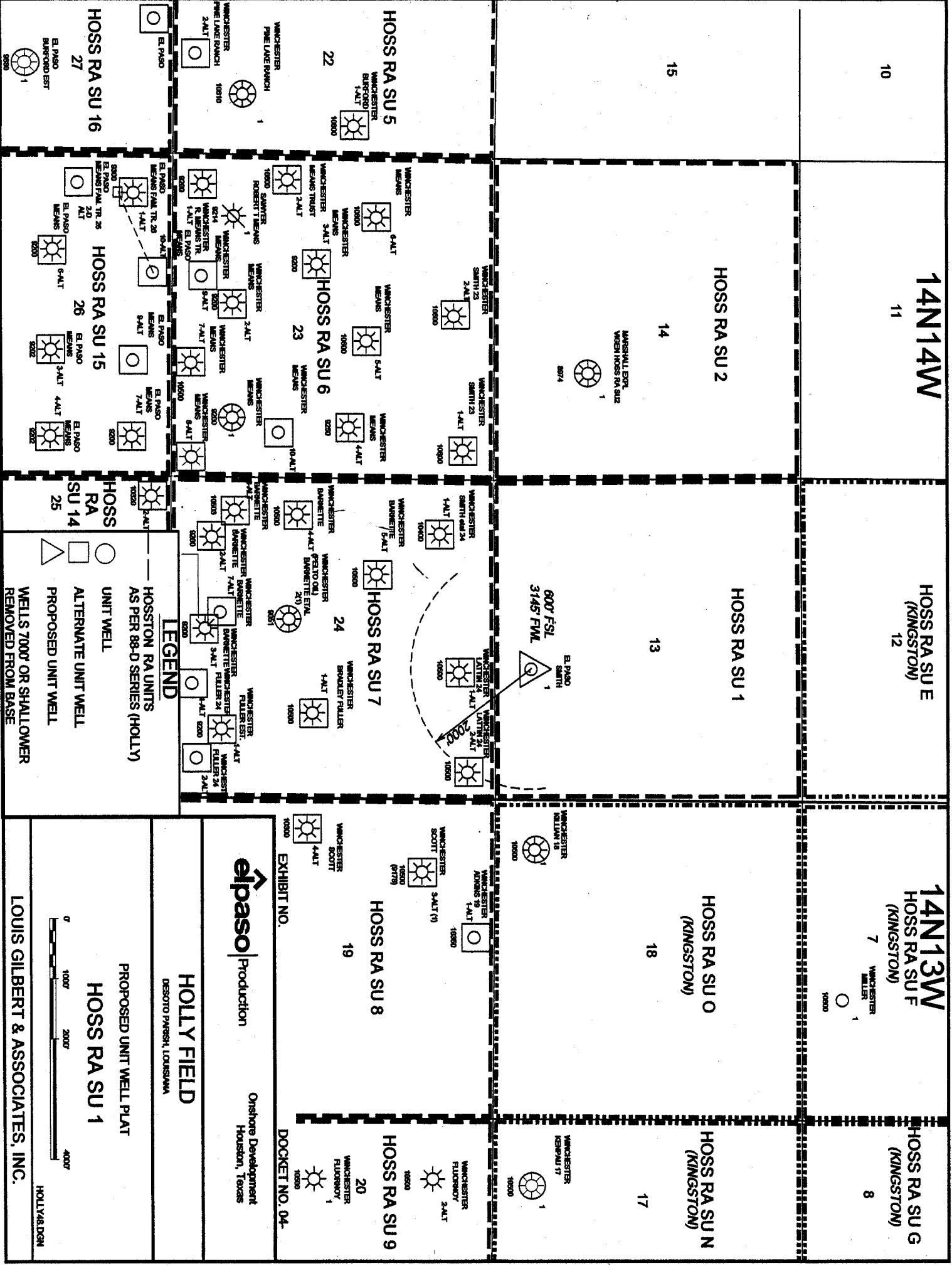
Enclosures

cc: Mr. Jim Broussard (w/encls.)
Mr. Lew Duff (w/encls.)
Mr. Louis Gilbert (w/encls.)
Interested Owners, Represented Parties
and Interested Parties (w/plats only)

dls/app/holly34.application







14N14W

11

HOSS RA SU 2

14

WINDCHESTER
MEANS
HOSS RA SU 2

HOSS RA SU E
(KINGSTON)

12

HOSS RA SU 1

13

600' FSL
3145 FWL
E. PASO
SMITH
1

14N13W
HOSS RA SU F
(KINGSTON)

7

WINDCHESTER
MEANS
1

HOSS RA SU G
(KINGSTON)

8

HOSS RA SU O
(KINGSTON)

18

HOSS RA SU N
(KINGSTON)

17

HOSS RA SU 5

22

WINDCHESTER
MEANS
HOSS RA SU 5

HOSS RA SU 6

23

WINDCHESTER
MEANS
HOSS RA SU 6

HOSS RA SU 7

24

WINDCHESTER
MEANS
HOSS RA SU 7

HOSS RA SU 8

19

WINDCHESTER
MEANS
HOSS RA SU 8

HOSS RA SU 9

20

WINDCHESTER
MEANS
HOSS RA SU 9

HOSS RA SU 16

27

WINDCHESTER
MEANS
HOSS RA SU 16

HOSS RA SU 15

26

WINDCHESTER
MEANS
HOSS RA SU 15

HOSS
RA
SU 14

25

WINDCHESTER
MEANS
HOSS RA SU 14

LEGEND

HOSS RA UNITS
AS PER 88-D SERIES (HOLLY)

UNIT WELL

ALTERNATE UNIT WELL

PROPOSED UNIT WELL

WELLS 7000' OR SHALLOWER
REMOVED FROM BASE

alpasco Production

Onshore Development
Houston, Texas

HOLLY FIELD

DESOTO PARISH, LOUISIANA

PROPOSED UNIT WELL PLAT

HOSS RA SU 1

0 1000' 2000' 4000'

LOUIS GILBERT & ASSOCIATES, INC.

HOLLY48.DGN